

TITLE XII—FINANCIAL REGULATORY RELIEF

Section 1200. Short Title. This title may be cited as the "Financial Regulatory Relief and Economic Efficiency Act of 2000."

Section 1201. Repeal of Savings Association Liquidity Provision. Repeals unnecessary provisions relating to savings association liquidity requirements.

Section 1202. Non-controlling Investments by Savings Association Holding Companies. Allows a savings and loan holding company to acquire a five to twenty-five percent non-controlling interest of another SLHC or savings association, subject to the approval of the Director of the OTS.

Section 1203. Repeal of Deposit Broker Notification and Record Keeping Requirement. Repeals requirement that brokers file a written notice with the FDIC before soliciting or placing deposits with an insured depository institution.

Section 1204. Expedited Procedures for Certain Reorganizations. Simplified procedures for a national bank reorganizing into a bank holding company.

Section 1205. National Bank Directors. Permits national banks to elect directors to terms of up to 3 years on a staggered basis. Permits Comptroller to remove the limitation on the number of board members.

Section 1206. Amendment to Bank Consolidation and Merger Act. Permits national bank, upon approval of Comptroller, to merge or consolidate with its subsidiaries or nonbank affiliates—with no increase in powers for the national bank.

Section 1207. Loans on or Purchases by Institutions of their own Stock. Repeals prohibition on a bank owning or holding its stock, but retains prohibition on making loans or discounts on the security of its own stock.

Section 1208. Purchased Mortgage Servicing Rights. Authorizes the appropriate Federal banking agencies to jointly simplify capital calculations by not requiring banks or thrifts to distinguish between types of mortgage servicing rights. This would allow regulators to value marketable mortgages servicing assets in capital determinations up to 100% of their fair market value rather than the current level which is limited to 90% of fair market value.

Subtitle B—Streamlining Activities of Institutions

Section 1211. Call Report Simplification. Provides for the modernization of the call report filing and disclosure system.

Subtitle C—Streamlining Agency Actions

Section 1221. Elimination of Duplicative Disclosure of Fair Market Value of Assets and Liabilities. Clarifies that banking agencies need no longer pursue further development of the supplemental disclosure method. Even so, Section 36 of FDIA and its supporting regulations provide agencies with discretion to seek additional information in regulatory reports and annual reports regarding fair market value.

Section 1222. Payment of Interest in Receiverships With Surplus Funds. Gives the FDIC the authority to establish a uniform interest rate with regard to receiverships.

Section 1223. Repeal of Reporting Requirements on Differences in Accounting Standards. Amends the requirement for each agency to produce an Annual Report on "Agency Differences in Reporting Capital Ratios and Related Standards." Instead, this provision directs the Federal banking agencies to jointly produce one report.

Section 1224. Extension of Time. Extends deadline for new FHLB capital rules from 12 months to 18 months.

Subtitle D—Technical Corrections

Section 1231. Technical Correction Relating to Deposit Insurance Funds. Makes technical correction to FDIA.

Section 1232. Rules for Continuation of Deposit Insurance for Member Banks Converting Charters. Makes technical changes with regard to a cross-reference cite.

Section 1233. Amends to the Revised Statutes of the United States.

1233(a) Provides that the Comptroller may waive the U.S. citizenship requirement for up to a minority of a national bank's directors. The Economic Growth and Regulatory Paperwork Reduction Act (EGRPRA) inadvertently deleted the long-standing authority of the Comptroller to waive the citizenship requirement for up to a minority of directors of national banks that are subsidiaries of affiliates of foreign banks.

1233(b) Updates Section 11 to reflect that national banks no longer issue national currency, while maintaining the provision that prohibits the Comptroller from owning interest in the national banks they regulate.

1233(c) Repeals Section 5138 of the Revised Statutes (first enacted in 1864), which imposes minimum capital requirements for national banks. This minimum capital requirement (ranging from \$50,000 to \$200,000) is obsolete, since Congress granted the Federal banking agencies the regulatory authority to establish minimum capital requirements in 1983.

Section 1234. Conforming Changes to the International Banking Act of 1978. Allows branches and agencies of foreign banks that satisfy the asset test imposed on domestic banks to be examined on an 18-month cycle instead of the 12-month cycle.

ADDITIONAL COSPONSORS

S. 664

At the request of Mr. L. CHAFEE, the name of the Senator from New Jersey (Mr. TORRICELLI) was added as a cosponsor of S. 664, a bill to amend the Internal Revenue Code of 1986 to provide a credit against income tax to individuals who rehabilitate historic homes or who are the first purchasers of rehabilitated historic homes for use as a principal residence.

S. 1716

At the request of Mr. TORRICELLI, the names of the Senator from Maryland (Mr. SARBANES) and the Senator from Maryland (Ms. MILULSKI) were added as cosponsor of S. 1716, a bill to amend the Federal Insecticide, Fungicide, and Rodenticide Act to require local educational agencies and schools to implement integrated pest management systems to minimize the use of pesticides in schools and to provide parents, guardians, and employees with notice of the use of pesticides in schools, and for other purposes.

S. 2084

At the request of Mr. LUGAR, the name of the Senator from North Carolina (Mr. HELMS) was added as a cosponsor of S. 2084, a bill to amend the Internal Revenue Code of 1986 to increase the amount of the charitable deduction allowable for contributions of food inventory, and for other purposes.

S. 2363

At the request of Mr. CRAPO, the name of the Senator from Utah (Mr.

HATCH) was added as a cosponsor of S. 2363, a bill to subject the United States to imposition of fees and costs in proceedings relating to State water rights adjudications.

S. 2434

At the request of Mr. JOHNSON, his name was added as a cosponsor of S. 2434, a bill to provide that amounts allotted to a State under section 2401 of the Social Security Act for each of fiscal years 1998 and 1999 shall remain available through fiscal year 2002.

S. 2585

At the request of Mr. JOHNSON, his name was added as a cosponsor of S. 2585, a bill to amend titles IV and XX of the Social Security Act to restore funding for the Social Services Block Grant, to restore the ability of the States to transfer up to 10 percent of TANF funds to carry out activities under such block grant, and to require an annual report on such activities by the Secretary of Health and Human Services.

S. 3145

At the request of Mr. BREAU, the name of the Senator from Tennessee (Mr. FRIST) was added as a cosponsor of S. 3145, a bill to amend the Internal Revenue Code of 1986 to clarify the treatment under the tax-exempt bond rules of prepayments for certain commodities.

S. 3211

At the request of Mr. HARKIN, the name of the Senator from Vermont (Mr. JEFFORDS) was added as a cosponsor of S. 3211, a bill to authorize the Secretary of Education to provide grants to develop technologies to eliminate functional barriers to full independence for individuals with disabilities, and for other purposes.

S. 3250

At the request of Mr. BROWNBACK, the names of the Senator from Utah (Mr. BENNETT), the Senator from Arizona (Mr. MCCAIN), the Senator from Wisconsin (Mr. FEINGOLD), and the Senator from Montana (Mr. BAUCUS) were added as cosponsors of S. 3250, a bill to provide for a United States response in the event of a unilateral declaration of a Palestinian state.

S. 3269

At the request of Mr. SPECTER, the name of the Senator from Indiana (Mr. BAYH) was added as a cosponsor of S. 3269, a bill to establish a Commission for the comprehensive study of voting procedures in Federal, State, and local elections, and for other purposes.

AMENDMENT NO. 3996

At the request of Mr. JOHNSON, his name was added as a cosponsor of Amendment No. 3996 proposed to H.R. 4461, a bill making appropriations for Agriculture, Rural Development, Food and Drug Administration and Related Agencies programs for the fiscal year ending September 30, 2001, and for other purposes.